

July 2015

Doniphan County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

A total of 15 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Doniphan County economy.¹ These 15 sectors have a total direct output of approximately \$134 million and support 613.0 jobs in Doniphan County. Running the model for all 15 sectors simultaneously produces the following results:

Agriculture Contribution in Doniphan County

Impact Type ²	Employment	% of Total Employment	Total Value Added ³	% of Gross Regional Product ⁴	Output ⁵	% of Gross Regional Product
Direct Effect	613.0	17%	\$41,958,437	19%	\$134,375,035	61%
Indirect Effect	101.9	3%	\$8,397,583	4%	\$15,163,004	7%
Induced Effect	40.5	1%	\$3,400,794	2%	\$5,855,399	3%
Total Effect	755.4	21%	\$53,756,815	24%	\$155,393,438	71%

As shown in the above table, agriculture, food, and food processing supports 755.4 jobs, or 21% of the entire workforce in the county. These industries provide a total economic contribution of approximately \$155 million, roughly 71% of Gross Region Product (GRP). As noted below in the calculation of Gross Regional Product, imports and institutional sales are subtracted. Therefore, counties that import a relatively large amount of goods and services will have a reduced GRP which may lead to agricultural output being greater than GRP.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 15 agriculture, food, and food processing sectors is approximately \$54 million, or 24% of the GRP. This indicates that personal income, business income, and taxes generated by these sectors account for 24% of the total economy.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:
https://implan.com/index.php?option=com_content&view=category&id=19

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value Added = Labor Income + Indirect Business Taxes + Other Property Type Income

⁴ GRP = Final Demand of Households + Governments Expenditures + Capital + Exports - Imports - Institutional Sales

⁵ Output = Intermediate Inputs + Value Added

In the top ten by employment, Grain farming is the top employer in the agriculture industry with 244.1 employees. This table also shows the amount of jobs that are created by the agriculture industry in Doniphan County.

Top 10 Industries Affected by Employment

Sector Description:	Total Employment	Total Output
Grain farming	244.1	\$49,750,304
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	84.3	\$12,720,526
Dairy cattle and milk production	83.8	\$9,090,760
Commercial logging	58.5	\$3,205,240
All other crop farming	37.2	\$2,746,781
Landscape and horticultural services	33.7	\$1,799,650
Oilseed farming	30.3	\$38,162,078
Wholesale trade	29.6	\$5,940,370
Fertilizer mixing	20.1	\$13,782,860
Real estate	13.3	\$2,133,863

The Grain farming industry directly contributes approximately \$50 million to Doniphan County's economy. This table also shows how much revenue is generated in other industries by having a strong agriculture industry.

Top 10 Industries Affected by Output

Sector Description:	Total Employment	Total Output
Grain farming	244.1	\$49,750,304
Oilseed farming	30.3	\$38,162,078
Fertilizer mixing	20.1	\$13,782,860
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	84.3	\$12,720,526
Dairy cattle and milk production	83.8	\$9,090,760
Wholesale trade	29.6	\$5,940,370
Commercial logging	58.5	\$3,205,240
All other crop farming	37.2	\$2,746,781
Real estate	13.3	\$2,133,863
Owner-occupied dwellings	0.0	\$2,121,631

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture sector and the output they contributed to Doniphan County's economy.

[illegible]

All 105 counties in Kansas have IMPLAN models with an agriculture contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Kansas, the retail sector was omitted.